

Interstate Commerce Commission
Washington, D.C.

Gentlemen:

Enclosed for recordation under the provisions of Section 20c of the Interstate Commerce Act, as amended, are the original and seven counterparts of a First Supplement to Second Security Agreement-Trust Deed dated as of December 15, 1978, which amends the Second Security Agreement-Trust Deed dated as of March 1, 1978 which was filed and recorded in the Office of the Secretary of the Interstate Commerce Commission at 2:15 p.m. on ~~July~~ ^{June} 8, 1978 and assigned recordation No. 9433.

The general description of the railroad equipment covered by the enclosed document is set forth in Schedule A attached to this letter and made a part hereof.

The names and addresses of the parties are:

Debtor: Continental Illinois National
Bank and Trust Company of Chicago
231 South LaSalle Street
Chicago, Illinois 60693

Secured Party; Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60603

The undersigned is the Debtor mentioned in the enclosed document and has knowledge of the matters set forth therein.

Please return the original and six copies of the First Supplement to First Security Agreement-Trust Deed to Michael G. McGee, Esq., Chapman and Cutler, 111 W. Monroe Street, Chicago, Illinois 60603.

Also enclosed is a check in an amount covering the required recording fee.

Very truly yours,

CONTINENTAL ILLINOIS NATIONAL
BANK AND TRUST COMPANY OF
CHICAGO, not in its individual
capacity but solely as Trustee

By



DEBTOR AS AFORESAID

Enclosures

No. 8-2314053
Date DEC 27 1978
Fee \$10.
ICC Washington, D. C.

9433-A
RECORDED
DEC 27 1978 6 25 AM
INTERSTATE COMMERCE COMMISSION

RECEIVED
DEC 27 10 23 AM '78
FEE OPERATION BRT
I.C.C.

CT. Kasper
Chapman and Cutler

DESCRIPTION OF EQUIPMENT

<u>Number of Items</u>	<u>Description</u>	<u>Identifying Numbers as Hulks and as Rebuilt</u>
100	1,958 cu. ft. capacity Ballast Cars	CNW X201820 through CNW X201919, both inclusive
25	65' Wheel Transport Car	CNW X200679, CNW X200681, CNW X200683, CNW X200685, CNW X200687, CNW X200689, CNW X200691, CNW X200693, CNW X200695, CNW X200697, CNW X200699, CNW X200701, CNW X200703, CNW X200705, CNW X200707, CNW X200709, CNW X200711, CNW X200713, CNW X200715, CNW X200717, CNW X200719, CNW X200721, CNW X200723, CNW X200725, CNW X200727
1	Budd Track Geometry Car	CNW 430
26	Rail Train-Flat Cars	CNW X251250 through CNW X251275, both inclusive

DESCRIPTION OF EQUIPMENT

<u>Number of Items</u>	<u>Description</u>	<u>Identifying Numbers (Both Inclusive)</u>
175	Tri-Level Enclosed Auto Racks manufactured by Whitehead & Kales Company	Whitehead & Kales Serial Numbers 65195 through 65484 (each Rack to bear two consecutive numbers)
25	Bi-Level Enclosed Auto Rack manufactured by Whitehead & Kales Company	Whitehead & Kales Serial Numbers 65585 through 65634 (each Rack to bear two consecutive numbers)

SCHEDULE A-1
(to First Security Agreement)

REGISTRATION NO. 943-A
FILE 1425

DEC 27 1978 - 9 35 AM

IN THE STATE OF ILLINOIS - DEPT. OF REVENUE

FIRST SUPPLEMENT TO SECOND SECURITY AGREEMENT-TRUST DEED

Dated as of December 15, 1978

From

CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY
OF CHICAGO
as Trustee under Chicago North Western Trust No. 78-1

Debtor

To

HARRIS TRUST AND SAVINGS BANK,
as Security Trustee

Secured Party

(Chicago North Western Trust No. 78-1)
(100 Rebuilt Ballast Cars)
(25 Rebuilt Wheel Transport Cars)
(1 Rebuilt Track Geometry Car)
(26 Rebuilt Rail Train-Flat Cars)
(200 Enclosed Auto Racks)

FIRST SUPPLEMENT TO THE SECOND SECURITY AGREEMENT-TRUST DEED

FIRST SUPPLEMENT dated as of December 15, 1978 between CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, a national banking association (the "Debtor"), whose post office address is 231 South LaSalle Street, Chicago, Illinois 60693 and HARRIS TRUST AND SAVINGS BANK (the "Secured Party"), whose post office address is 111 West Monroe Street, Chicago, Illinois 60690;

WITNESSETH:

WHEREAS, the defined terms used in this First Supplement shall have the respective meanings indicated in the Second Security Agreement-Trust Deed hereinafter referred to.

WHEREAS, the Debtor has heretofore executed and delivered a Second Security Agreement-Trust Deed dated as of March 1, 1978 (the "Second Security Agreement") to the Secured Party as security for the payment in full of all principal of and premium, if any, and interest on the Interim Notes of the Debtor (the "Interim Notes") issued under and pursuant to the Interim Loan Agreement dated as of March 15, 1978 (the "Trust No. 78-2 Interim Loan Agreement") between the Debtor and the Secured Party.

WHEREAS, the Second Security Agreement was filed and recorded in the Office of the Secretary of the Interstate Commerce Commission on June 8, 1978 and has been assigned recordation No. 9433.

WHEREAS, all requirements of law have been fully complied with and all other acts and things necessary to make this First Supplement a valid, binding and legal instrument according to its terms for the purposes herein expressed have been done and performed.

NOW, THEREFORE, the Debtor in consideration of the premises and of the sum of Ten Dollars received by the Debtor from the Secured Party and other good and valuable consideration, receipt whereof is hereby acknowledged, and in order to secure the payment of the principal and interest on all Interim Notes and to secure the payment of all other indebtedness secured by the Second Security Agreement as supplemented hereby and the performance and observance of all of the covenants and conditions contained in the Secured Notes, the Second Security Agreement as supplemented hereby and the Interim Loan Agreement, does hereby grant to the Secured Party, its successors in trust and assigns, forever, a security interest in and to the properties, rights, interests and privileges described in the Second Security Agreement (therein and hereinafter sometimes referred to as the "Collateral").

SUBJECT, HOWEVER, to Excepted Rights in Collateral (as defined in Section 1.5 of the Second Security Agreement).

TO HAVE AND TO HOLD the Collateral unto the Secured Party, its successors and assigns, forever, IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit, security and protection of all present and future holders of the Interim Notes without preference, priority or distinction of any Interim Note over any other Interim Note by reason of priority at the time of issue, sale, negotiation, date of maturity thereof or otherwise for any cause whatsoever; provided, always, however, that such security interest is granted upon the express condition that upon the earlier of: (a) if no Event of Default under the First Security Agreement and no event of default under Section 14.1(g) or (h) of the Trust No. 78-2 Lease has occurred and is continuing, the payment in full of the Trust No. 78-1 Notes and of all other indebtedness secured by the First Security Agreement and the observance and performance of all of the terms and conditions, covenants and agreements contained in the First Security Agreement, the Trust No. 78-1 Participation Agreement and the Trust No. 78-1 Interim Loan Agreement, or (b) the payment in full of the Notes and all other indebtedness hereby secured and the observance and performance of all of the terms and conditions, covenants and agreements herein and in the Interim Loan Agreement, the Participation Agreement, the Trust No. 78-2 First Security Agreement and the Notes contained, then these presents and the estate hereby granted and conveyed shall cease and this Second Security Agreement shall become null and void, otherwise to remain in full force and effect.

SECTION 1. AMENDMENT TO THE SECOND SECURITY AGREEMENT.

1.1. Schedule 2 attached to this First Supplement shall be substituted for Schedule 2 to Second Security Agreement attached to the Second Security Agreement as originally executed.

1.2. Schedule 3 attached to this First Supplement shall be substituted for Schedule 3 to Second Security Agreement attached to the Second Security Agreement as originally executed.

SECTION 2. MISCELLANEOUS.

2.1. This First Supplement shall be construed in connection with and as part of the Second Security Agreement and all terms, conditions and covenants contained in the Second Security Agreement except as herein modified shall be and remain in full force and effect.

2.2. This First Supplement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original, but all together only one instrument.

2.3. Any headings or captions preceding the text of the several sections hereof are intended solely for convenience of reference and shall not constitute a part of this First Supplement nor shall they affect its meaning, construction or effect.

IN WITNESS WHEREOF, the Debtor and Secured Party have caused this First Supplement to be executed all as of the day and year first above written.

CONTINENTAL ILLINOIS NATIONAL BANK
AND TRUST COMPANY OF CHICAGO,
as Trustee under Chicago North
Western Trust No. 78-1

By


Vice President

DEBTOR

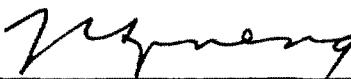
[Seal]

ATTEST:


TRUST OFFICER

HARRIS TRUST AND SAVINGS BANK

By

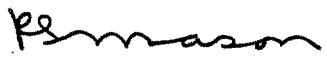


VICE PRESIDENT

SECURED PARTY

[Seal]

ATTEST:


ASSISTANT SECRETARY

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 26th day of December, 1978, before me personally appeared H. J. Baker, to me personally known who, being by me duly sworn, said that he is a Vice President of CONTINENTAL ILLINOIS NATIONAL BANK AND TRUST COMPANY OF CHICAGO, that the seal affixed to the foregoing instrument is the corporate seal of said Bank, that said instrument was signed and sealed on behalf of said Bank this day by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Bank.

Diann J. Bapster
Notary Public

NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES JUNE 30 1981
ISSUED THIRD ILLINOIS NOTARY ASSOC.

My Commission Expires _____.

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 22ND day of DECEMBER, 1978, before me personally appeared J. L. SPRENG to me personally known who being by me duly sworn said that he is VICE PRESIDENT of the HARRIS TRUST AND SAVINGS BANK, that the foregoing instrument was signed by him this day on behalf of and by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Bank.

Lanette C. Seay
Notary Public

My Commission Expires NOVEMBER 29, 1980.

DESCRIPTION OF EQUIPMENT

<u>Number of Items</u>	<u>Description</u>	<u>Identifying Numbers as Hulks and as Rebuilt</u>
100	1,958 cu. ft. capacity Ballast Cars	CNW X201820 through CNW X201919, both inclusive
25	65' Wheel Transport Car	CNW X200679, CNW X200681, CNW X200683, CNW X200685, CNW X200687, CNW X200689, CNW X200691, CNW X200693, CNW X200695, CNW X200697, CNW X200699, CNW X200701, CNW X200703, CNW X200705, CNW X200707, CNW X200709, CNW X200711, CNW X200713, CNW X200715, CNW X200717, CNW X200719, CNW X200721, CNW X200723, CNW X200725, CNW X200727
1	Budd Track Geometry Car	CNW 430
26	Rail Train-Flat Cars	CNW X251250 through CNW X251275, both inclusive

DESCRIPTION OF EQUIPMENT

<u>Number of Items</u>	<u>Description</u>	<u>Identifying Numbers (Both Inclusive)</u>
175	Tri-Level Enclosed Auto Racks manufactured by Whitehead & Kales Company	Whitehead & Kales Serial Numbers 65195 through 65484 (each Rack to bear two consecutive numbers)
25	Bi-Level Enclosed Auto Rack manufactured by Whitehead & Kales Company	Whitehead & Kales Serial Numbers 65585 through 65634 (each Rack to bear two consecutive numbers)

SCHEDULE 3
(to Second Security Agreement)